m/023/007



Where ideas connect

Department of Environmental Quality Division of Water Quality

Michael O. Leavitt Governor Dianne R. Nielson, Ph.D. Executive Director Don A. Ostler, P.E. Director 288 North 1460 West P.O. Box 144870 Salt Lake City, Utah 84114-4870 (801) 538-6146 (801) 538-6016 Fax (801) 536-4414 T.D.D. www.deq.utah.gov Water Quality Board
K.C. Shaw, P.D.
Chairman
William R. Williams
Vice-Chairman
Robert G. Adams
Nan Bunker
Ray M. Child, C.P.A.
Neil K. Kochenour, M.D.
Dianne R. Nielson, Ph.D.
Ronald Sims, Ph.D.
Douglas E. Thompson, Mayor
J. Ann Wechsler
Don A. Ostler, P.E.
Executive Secretary

RECEIVED

JAN 1 6 2003

DIV. OF OIL, GAS & MINING

August 26, 2002

Mr. Stephen Flechner, President North Lily Mining Company 1800 Glenarm Place, Suite 210 Denver, CO 80202

Subject: North Lily Heap Leach Facility, Proposal to Modify the Existing Monitoring Schedule Listed Under

Permit No. UGW230001

Dear Mr. Flechner:

We received the letter incorporating a proposal to modify the existing monitoring and reporting schedule listed under Part I (C) & (E) of the Groundwater Discharge Permit No. UGW230001 issued to North Lily Mining Company in November 2001. The proposal was prepared and submitted by your consultant, JBR Environmental Consultants, Inc.

You proposed to monitor heap leach discharge rate monthly starting August 2002. Based on our review of the recent monitoring data, the proposed monitoring schedule is acceptable by our office. Please submit a quarterly report summarizing the results of the monthly discharge rate and the quarterly water quality monitoring for our review.

You also propose to further modify the monitoring schedule starting June 2003. However, at this time, we do not approve your proposal to monitor the discharge rate quarterly and to monitor the water quality semi-annually. Prior to our approval of this proposed modification, we would like to review the monthly and quarterly monitoring data that will be collected until July 2003. Based on the review of further monitoring data, if it is demonstrated that the discharge rate and the concentration of the constituents remain declining and below the established permit limits, the monitoring schedule may be modified to quarterly and semi-annually.

If you have any questions, please contact Beth Wondimu of this office at (801) 538-6084.

Sincerely,

Dennis Frederick, P.E., Manager Ground Water Quality Protection

DF:BW:bjr